



**CITY OF SCOTTSDALE  
TOURISM ADVISORY TASK FORCE  
REGULAR MEETING**

**Wednesday, March 18, 2015**

**Arizona State University SkySong  
Global Conference Room: 201  
1475 North Scottsdale Road  
Scottsdale, Arizona 85257  
**APPROVED MINUTES****

**PRESENT:** John Holdsworth, Chairman  
Matthew Wright, Vice Chairman  
Cory Baker  
Kate Birchler  
Andrew Chippindall  
Kathy Duley  
Richard Hayslip (left at 12:25 p.m.)  
Taryl O'Shea  
Fred Unger

**ABSENT:** Susan Potje

**STAFF:** Steve Geiogamah  
Holli Shannon  
Brian Dygert  
Gary Myer  
Ben Moriarity  
Rose Rimsnider  
Dan Worth  
Susan Conklu  
Rachel Smetana

**GUESTS:** Valeri LeBlanc, PLACES Consulting  
David Smith, City Council Member  
Rachel Sacco, SCVB  
Ace Bailey, TDC  
Sandy Schenkat  
Sonnie Kirtley, Coalition of Greater Scottsdale  
Rebecca Heller, Museum of the West  
Steve Olmstead, Chair, Transportation Commission



**1. Call to Order/Roll Call**

Noting the presence of a quorum, Chairman Holdsworth called the regular meeting of the Scottsdale Tourism Advisory Task Force to order at 9:03 a.m.

Chairman Holdsworth introduced Andrew Chippindall as the newest member of the Task Force. He said new alternates are needed, and recommendations for candidates are currently being accepted.

**2. Public Comment**

Rebecca Heller reported that Western Spirit: Scottsdale's Museum of the West is off to a terrific start. In April, a Thursday evening speaker series will start. Docent training has begun, and school tours will commence shortly. The exhibition of Charles Fritz's paintings of the Lewis and Clark expedition will be introduced by the artist in person.

**3. Approval of Minutes**

**TASK FORCE MEMBER UNGER MOVED TO APPROVE THE MINUTES OF THE DECEMBER 17, 2014 REGULAR MEETING AS PRESENTED. TASK FORCE MEMBER WRIGHT SECONDED. THE MOTION CARRIED BY A VOTE OF NINE (9) TO ZERO (0). TASK FORCE MEMBER POTJE WAS ABSENT.**

**4. Tourism Advisory Task Force Annual Report**

Steve Geiogamah stated that the Annual Report summarizes all Task Force activity over the previous year. The report will be presented to City Council.

**TASK FORCE MEMBER HAYSLIP MOVED TO APPROVE THE TOURISM ADVISORY TASK FORCE ANNUAL REPORT AS PRESENTED. TASK FORCE MEMBER BAKER SECONDED. THE MOTION CARRIED BY A VOTE OF NINE (9) TO ZERO (0). TASK FORCE MEMBER POTJE WAS ABSENT.**

**5. Tourism Plan Updates**

Mr. Geiogamah noted that City Council approved \$625,000 to fund the Task Force's first year initiatives. So far up to \$177,000 is projected to be expended this fiscal year. Additional funding could be needed next fiscal year, depending on what initiatives move forward.

- Research Program-Longwoods

Mr. Geiogamah said the City has secured the services of Longwoods International to provide research data on Scottsdale visitors. Once the data is collected, it will be analyzed, put into report format, and available for more enhanced research. Staff met with the SCVB to explore ways in which this program could complement their branding



initiative. Rachel Sacco explained that the two efforts together will provide a much more complete picture of Scottsdale's visitors.

- Downtown Economic Plan

Mr. Geiogamah reported that staff is meeting with the Economic Development Department to discuss ways to move their strategic plan forward in conjunction with the Downtown Economic Plan.

- Event Animation Activation

Ben Moriarity, Downtown Specialist, stated that ten performers were on the streets of downtown Scottsdale on Sunday. Feedback from merchants has been positive and they want more happenings. The City has contracts for 345 live performances over the next year. Primary performance days are Thursdays, Saturdays, and Sundays, but the scope of work has the ability to evolve over time. Staff intends to meet with the SCVB to discuss ways to fine-tune the messaging and the communication strategy on this program. A broker was secured through a request for proposals (RFP). Valeri LeBlanc said the Events Working Group will continue to work on this program to ensure that it remains entertaining, interpretive, and exciting.

Task Force Member Unger noted that Scottsdale has several venues that could be key to activating the downtown with live music. Ms. LeBlanc said there are some missing components throughout the plan that, once filled in, will create a seamless context for success. Chairman Holdsworth said the level of cooperation he is beginning to see is encouraging. He inquired about potential ordinance issues. Mr. Moriarity responded that an effort is under way to draft a new special events ordinance.

- Event Marketing & Sponsorship Feasibility Study

Mr. Geiogamah stated that the potential investment in the Event Marketing & Sponsorship Feasibility Study is \$72,000. The study aims to conduct a market analysis for downtown, study the fundraising feasibility for a destination event, and evaluate existing downtown venues. An RFP was issued and a consultant selected. Task Force Member Baker said the working group selected a consultant with the ability to cover a diverse range of festivals beyond arts and culture and the West. The results will be used to evaluate several proposed concepts.

## **6. AZ Central & Civic Center Mall Renovation Project**

Chairman Holdsworth surmised that lack of specificity was the main reason City Council rejected the funding request for the Civic Center Mall renovation project. He encouraged the Scottsdale tourism industry to continue supporting the process moving forward. The next time a presentation goes before Council, it will hopefully be well positioned to gain their approval.

Valeri LeBlanc, PLACES Consulting, said it is safe to assume that Scottsdale has made a decision on the type of height and density restrictions the community wants, namely a low scale downtown. Without enough people living, working and shopping nearby to



create the type of urban experience and lively retail that comes naturally in a high density city, events that can regularly draw people downtown will be essential. By 2020, millennials will represent the largest spending group in the travel industry. Without a lively urban experience the millennial visitor will likely opt out of Scottsdale. The goal is to have at least 270 days per year of animation in downtown Scottsdale.

Ms. LeBlanc said the Civic Center and AZ Central are two completely different experiences and can serve the purpose of animation differently, provided they are designed properly to achieve their purpose. Everything should convey the message that the Civic Center is part of a unique place and should possess the attributes of a well-designed experience. To get the venues right, it is first necessary to get the vision right. City Council seems unanimously behind renaming the Civic Center Mall, so she encouraged the Task Force to propose some suggestions.

Gary Meyer presented an update on AZ Central. The City has a proposal for Holly Street Studio to do some preliminary work and location analysis for \$25,000. In three months, this should produce something to bring forward to City Council. Work will proceed through October, producing a 30% plan. Public meetings will be held in November/December. The Planning Commission and City Council will review the Municipal Use Master Site Plan in December/January. The Development Review Board could review the plan in February/March, and the 60% plans could be complete roughly in May of 2016. The 90% plans are scheduled to be complete by July 2016, followed by final review and 100% plans. If all goes well, construction could start in February of 2017.

Mr. Meyer explained that the City has several consultants already approved by City Council on an on call basis. All that is required to have them start is a work order. This provides the City with the flexibility to do planning and location analysis very quickly. Two architectural consultants are on call in addition to some in other fields.

Ms. LeBlanc explained that AZ Central is envisioned as a centralized gathering place that would work almost like a town square. It would be located on the canal and have the flexibility to shrink and expand based on what is happening at the time. It should have a positive effect on all development areas surrounding it, and become a center of energy.

Dan Worth stated that the area initially being considered as a potential location is on 5<sup>th</sup> Avenue east of Goldwater and west of the Marshall Way Plaza. The City owns some property in that area and has reached a development agreement with Fred Unger on an associated property exchange. The deadline for that agreement is approaching, but it will remain unclear how much land will be required until the concept is developed further. Meanwhile, the City is in the initial stages of a land transaction. The terms of the agreement would have to include protections for the City, since the exchange would occur prior to the project being fully developed.

Chairman Holdsworth noted that the AZ Central concept was approved by City Council in May of 2013, and only over time has the 5<sup>th</sup> Avenue site emerged as the focus. The canal provides the best option should all the complexities come to fruition. The Task Force believes that this initiative is critical to enabling the rest of the downtown activities. AZ Central is a core element to moving the plan forward. He understands the



complexities of the land swap, but cautioned against sitting back and waiting for the exchange to occur before moving ahead with development of the concept.

Ms. LeBlanc said the idea is to create a place where every Arizona visitor would want to come because it would provide them with what they need to improve their trip, and offer an exciting experience as well. A centralized place for tours to begin and end will give surrounding merchants an environment of activity which they need.

Chairman Holdsworth said the tourism industry in Scottsdale recognizes the importance of creating more for people to do while downtown and supports this concept. Even if the development agreement does not work out, this concept should not be dropped. The Task Force should do everything possible to help the City Council make their decision. Few spaces are available downtown. Even if Civic Center were to be reconfigured, it would not meet the same needs and provide the same environment that AZ Central would. Fifth Avenue would provide ESPN and other broadcasters with the type of backdrop that they are looking for, as no other spot would. Every tour operator loves the idea of AZ Central. Ms. LeBlanc said every part of the state would get something out of the facility because visitors would be able to learn about new places to visit that they might never have considered before.

Task Force Member Chippindall said downtown needs events, and 5<sup>th</sup> Avenue is the perfect location for them. No other would work as well. Scottsdale hotels lose money in the summer and there are only a few profitable months. The longer the tourist season can be extended, the better.

## **7. Plan Priority and Recalibration – Tourism Today**

Chairman Holdsworth said the Tourism Today working group was activated in order to break down obstacles that are impeding progress in some areas. Valeri LeBlanc said she was reluctant to recalibrate the plan efforts at first, but is happy with the outcome so far. Essentially there are two strategies that are being recalibrated: the creation of a community foundation, and AZ Central. AZ Central is vitally important, because without it, all of the planned activation will lack an anchor point. In order for AZ Central to become a reality many disparate pieces have to merge at the same time.

Chairman Holdsworth stated that the initial research revealed a higher than expected interest level for a tourism focused community foundation among the community's wealthy, but also a degree of concern about how those funds would be dispersed. The Arizona Community Foundation was interested in becoming a potential partner. When Mayor Lane formed an ownership group to review options for the renovation of downtown, foundation activity was halted. Months later, the idea emerged to combine the efforts of the tourism community with the downtown group under a single entity. Deliberations are currently underway and Mayor Lane will receive a report once they are completed.

Chairman Holdsworth said the Arizona Community Foundation manages about 154 foundations in Arizona, and \$6 billion in funds. Investors want to be able to invest in projects they care about and not have them changed on a whim. Community foundations have ways to protect donated funds from federal, state and city raiding.



Multiple foundations with different donors can be set up within the foundation to focus on specific things. Task Force Member Hayslip said he was pleasantly surprised to learn the ease with which a community foundation could be created. The types of assets the Scottsdale tourism community is interested in are very consistent with the types of investment the Arizona Community Foundation has been doing for some time.

Ms. LeBlanc explained that there are some things that private investors can do, and some that the public has to bring along. A community foundation can assist in that convergence and make a huge difference in terms of leadership, concept development, and advancement through financial realms. The Tourism Today work group should continue to be available to respond to issues that arise, while the Task Force moves forward on AZ Central and the community foundation ideas.

Chairman Holdsworth proposed forming a small working group to help bring AZ Central to fruition, and he welcomed volunteers. It is important for City Council to understand the tourism community's priorities for the city overall. Ms. LeBlanc said this endeavor will be an important part of moving Scottsdale from a resort center to a more complete destination.

#### **8. Tourism Development and Marketing Strategic Plan – Year 2 Engagement Plans**

Mr. Geiogamah explained that transportation strategies have been set aside for a few months, but a meeting with the Transportation Commission has been set for May 21 to update them on the Task Force initiatives. Chairman Holdsworth noted there are indications that the community increasingly wants to address transportation in a more cohesive way. Vice Chairman Wright said he is excited about the focus on transportation and how it impacts the Task Force's work. Some easy things can be done to address the issue right away, and there are opportunities to improve collaboration between different groups to address more challenging problems.

- Generational Change

Task Force Member Chippindall reported that the Generational Change working group has met three times since he started. The group is working to drive community engagement among young people. Their input will help make Scottsdale a place of interest for the next generation of travelers. The last meeting was spent discussing ways to communicate with millennials to gain an understanding of why they like living in Scottsdale. The next meeting will focus on creating a website that will serve as a communication platform for millennials with the goal of collecting survey data. Hopefully this will grow into a tool young people can use to access information about what is going on in Scottsdale. It will not take long to activate this website.

The SCVB is providing advice on how to rebrand outside perceptions of Scottsdale as a retirement community. Scottsdale is a young city, and there are many opportunities to paint it as a blank canvas, especially among young people. There was a discussion on whether the "West's Most Western Town" is still a fitting way to describe Scottsdale to millennials. Other important topics of conversation are the indigenous people of Arizona, the environmental sustainability of the Sonoran Desert; climate, health and wellness;



and arts and culture. Transportation is a key element for millennials, especially alternative modes. The working group also plans to analyze the success cities like Nashville, Austin, Denver, Portland, San Francisco and Seattle have had in attracting next generation travelers.

Chairman Holdsworth noted that comparatively few young people actually vote or participate in the community, and that is something that should ideally change if Scottsdale is to become the kind of place they want to live in. It is important to engage young people in the process now. Task Force Member Chippindall concurred, adding that local government is where young people can make the biggest impact.

- Crisis Response Reserve

Mr. Geiogamah reported that City Ordinance 4019 outlines the use of tourism funds associated with the bed tax. Fifty percent goes to tourism marketing through a contract with the SCVB. The General Fund receives \$1.5 million. Events and event development receives \$1.2 million. Tourism related administration and research receives \$500,000, and \$500,000 goes to one-time commitments, either to capital projects, events, event development, administration, or research. The balance of funds goes towards remaining tourism-related capital projects in the form of one-time commitments, or multi-year annual commitments not to exceed \$600,000 per project. The Crisis Response Reserve would impact the carryover.

Task Force Member Hayslip said the Crisis Response Reserve working group has been meeting weekly for the past two months. The goal of this initiative is to provide a safety net in the event of a crisis. It would help provide continuity and stability in the program, and also protect the City's General Fund. The proposal is to create a \$2.6 million stabilization fund out of the carryover, which is currently at about \$5 million. During the last economic downturn, tourism revenue dipped by about \$2 million. The working group felt that establishing a hard number for the reserve fund would be consistent with the rest of the Ordinance.

Task Force Member Hayslip stated that the use of these funds would be triggered whenever the City was unable to meet its obligations. If a crisis were to occur, the first priority would be to pay the debt service, followed by the General Fund, the administrative expenses, and finally event development activities. These priorities are consistent with those of the Treasurer's Office.

Chairman Holdsworth noted that the proposal has no money allocated to marketing in the event of a crisis. During the last crisis, marketing dollars were cut by 40%, and the SCVB staff was cut by 25%. The result was a significant hit to the marketing effort at a time when it was needed most. Rachel Pearson responded that this issue was addressed early on. The biggest problem is that under Prop 200, the Ordinance would have to be amended in order for that money to come to the SCVB. A simpler idea is to have the SCVB establish a special marketing reserve fund. The Executive Committee will consider this proposal in May or June.

Mr. Geiogamah stated that the Tourism Development Commission will review the proposal at their April 21 meeting. The Treasurer's Office will bring it to City Council for approval later in the year. Chairman Holdsworth said he would like to see some



specificity to the expenditures made out of the General Fund allocation. Without specificity, there is no way to ensure that the money is being spent on ongoing services related to tourism. Task Force Member Birchler concurred. Task Force Member Hayslip suggested that the proforma be used to track that level of detail.

- World Class Biking

Task Force Member Duley discussed the program to develop leisure bike routes through downtown Scottsdale to familiarize people with the community, and highlight the city's connection to the desert. The first route is called the Mountain Vista route. It starts at Main and Brown, works its way through the Arts District to the Valley Ho, follows the canal to the Marshall Way Bridge, and then back to the start. Interpretive signage will incorporate the history and geology of the area. Artist John Randall Nelson is working on some sign design concepts. The goal is to have the first signs ready by the next TATF meeting.

Task Force Member Duley reported that Jane Larson, who heads the Phoenix Metro Bike Club, has developed a series of rides to the ballparks around the Valley. One of them starts at Main and Brown, then travels along Indian Bend Wash and Pima Road to visit Salt River Fields and Scottsdale Stadium. The third potential route being considered would highlight Indian Bend Wash.

Task Force Member Duley noted that April is National Bike Month. There will be two Cycle for the Arts events on April 19 and 26, that will tour public art through downtown Scottsdale. A logo has been created to use in all promotional material for the bike routes. A postcard will feature the bike route and identify bike-friendly businesses in downtown. Policies and procedures will be established to describe how retail establishments can be listed as bike-friendly. The intent is to create a groundswell of businesses that are amenable to accommodating the needs of bicyclists.

Task Force Member Duley reported that the Tempe Bicycle Action Group provided a bike valet service at Scottsdale Stadium for a spring training game on March 15. Users donated money for bicycle safety advocacy. The valet service could be expanded to cover every home game. Eventually the goal is to offer kiosks where people can rent bikes. This service could be tied into the proposed AZ Central concept.

Ms. Susan Conklu, Senior Transportation Planner, explained that bike share programs in the past could not feasibly use the same model as denser cities have, because they rely on bikes being checked out and returned to specific docking stations. Phoenix launched a new program that allows for more flexibility. Incentives are offered to get people to return bikes to stations, but they can also leave them at any bike rack for a fee. Bikes are tracked through GPS. Five hundred bikes will be available from 50 stations throughout Phoenix. Mesa and Tempe plan to follow with their own programs. Businesses have a range of sponsorship opportunities, and the intent is to generate enough income from advertising to make it a sustainable program. Staff will monitor these programs for possible future implementation in Scottsdale. Grants are available to help pay for the upfront costs. Operating costs will either have to be covered by sponsorships or through CIP funds.



Task Force Member Duley reported that the City is working on an inventory of bike parking in downtown to identify areas of need. The working group will continue to meet about once a month.

- **Downtown Events & Festival**

Task Force Member Baker said work has begun to develop complex and layered concepts for three off-season multi-week festivals. Three meetings have been held to brainstorm with event producers and get their feedback. Ms. LeBlanc said the City Attorney is using the meetings to develop a new ordinance. Task Force Member Baker new legislation would completely overhaul zoning restrictions and regulations to streamline the process that event producers must navigate to start a festival in Scottsdale. Getting the Civic Center Mall ready to host events and festivals is an important priority, but the scope has widened and more event-ready venues will be needed if downtown is to be activated.

Mr. Geiogamah stated that in April, the Capital Project Team will bring forward to City Council a new request to allocate \$150,000 from the bed tax to support the Civic Center design and review plan. The other \$150,000 would come from the capital project budget. In response to an inquiry from Chairman Holdsworth, Mr. Geiogamah said the process of reviewing events through the Special Events Committee has been improving. City Council has a strategic initiative revolving around that goal. Ben Moriarity added the committee has placed an emphasis on reviewing events quickly using a standard process. A customer service approach makes it possible for event producers get answers quickly and helps them understand what their next steps are. These improvements will be drafted into the new ordinance.

Chairman Holdsworth said the Salt River Pima-Maricopa Indian Community has adopted a simple and standardized process which has greatly helped them attract events. Task Force Member Birchler noted that significant improvements have been made in Scottsdale. She said her most recent experience working with City staff was a seamless one, even though some of the event needs were unprecedented.

Task Force Member Baker said another focus of the action plan is to integrate the happenings and animation working group with festivals and events. Task Force Member O'Shea reported that there are now 345 activations in the downtown area. The range of acts and locations are diverse and flexible. This effort will make a huge difference in generating excitement downtown. Mr. Moriarity added that happenings and animation will also be used to enhance the festive spirit on the periphery of larger downtown events, such as Cowboy Christmas and Art Walk.

## **9. Identification of Future Agenda Items**

The next scheduled meeting is June 17, 2015.



**10. Adjournment**

The meeting adjourned at 12:35 p.m.

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